



(a real estate investment trust constituted on 5 August 2015  
under the laws of the Republic of Singapore)

## UPDATE ANNOUNCEMENT ON THE ECW FACILITIES

### 1. INTRODUCTION

EC World Asset Management Pte. Ltd., in its capacity as manager of EC World Real Estate Investment Trust (“**EC World REIT**”, and as manager of EC World REIT, the “**Manager**”), refers to:

- (i) the Manager’s announcement dated 1 March 2023 in relation to:
  - (a) the Form 1 (*Notification Form for Director / Chief Executive Officer in Respect of Interests in Securities*) disclosure filed pursuant to the Securities and Futures (Disclosure of Interests) Regulations 2012 (“**SF(DI)R**”) in connection with Forchn Global Pte. Ltd. (“**FGPL**”)<sup>1</sup> granting a charge over 58,000,000 units in EC World REIT (the “**Charged Units**”)<sup>2</sup> to Franklin Medici Alternative Investment VCC (for itself and for the purpose of FM REAL ESTATE FUND) (the “**Chargee**”) on 27 February 2023 to secure certain obligations of FIPL to the Chargee (the “**Relevant Charge**”); and
  - (b) the Form 3 (*Notification Form for Substantial Shareholder(s) / Unitholder(s) in Respect of Interests In*) disclosure filed pursuant to the SF(DI)R in connection with the Relevant Charge;
- (ii) the Manager’s announcement dated 4 June 2024 in relation to the application filed by the Chargee on 19 May 2024 in the General Division of the High Court of the Republic of Singapore against FIPL and Mr Zhang Guobiao; and
- (iii) the Manager’s announcement dated 19 June 2024 in relation to the litigation in relation to FIPL and Mr Zhang Guobiao.

### 2. UPDATE ON THE LITIGATION

In relation to the above-mentioned litigation, the Manager has on 17 October 2024 received the following updates from the Sponsor:

- (1) an enforcement order (“**Enforcement Order**”) was issued in the General Division of the High Court of the Republic of Singapore on 12 August 2024 authorising the Sheriff

<sup>1</sup> FGPL is a wholly-owned subsidiary of Forchn International Pte. Ltd. (“**FIPL**”) which is in turn wholly-owned by Forchn Holdings Group Co., Ltd., being the sponsor of EC World REIT (the “**Sponsor**”).

<sup>2</sup> As at the date of this announcement, the Charged Units represent 7.2% of the 809,838,247 units of EC World REIT in issue.

to seize and sell certain assets (including a property which has been mortgaged to the lenders under EC World REIT's existing offshore facilities (the "**Offshore Facilities**") belonging to Mr Zhang Guobiao ("**Relevant Property**") and with a value of up to a maximum amount of approximately S\$15.7 million (comprising the amount due to the Chargee (including interest and costs) and the amount of enforcement costs due to the Sheriff and due to the Chargee); and

- (2) a notice of seizure (the "**Notice of Seizure**") was issued by the Sheriff to, among others, Singapore Land Authority and Mr Zhang Guobiao on 2 September 2024, directing them not to deal with or dispose of the Relevant Property, unless the Court otherwise orders.

### 3. THE ECW FACILITIES

The Manager wishes to inform unitholders of ECW ("**Unitholders**") that the Enforcement Order and Notice of Seizure constitute an event of default pursuant to the Offshore Facilities. This in turn triggers a cross-default under EC World REIT's existing onshore facilities (the "**Onshore Facilities**", and together with the Offshore Facilities, the "**Facilities**"). The lenders under the Facilities may, among others, accelerate the Facilities if an event of default is continuing.

The Manager has updated the lenders under the Facilities in respect of the Enforcement Order and Notice of Seizure immediately upon receipt of the above-mentioned updates from the Sponsor, and has not received any indication from them that they intend to accelerate the Facilities as a result of the above-mentioned circumstances as at the date of this announcement.

The Board of Directors of the Manager will provide Unitholders with further updates as and when there are material developments.

#### Cautionary Statement

Unitholders are advised to read this announcement and any further announcements by the Manager carefully. The Manager wishes to highlight that there is no certainty or assurance as at the date of this announcement that any discussion or prospects will be successfully concluded or any definitive agreements in relation to any transactions will be entered into. Unitholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions that they should take.

The Manager will make further announcements on the SGXNET in the event there are any material developments which warrant disclosure, in compliance with its obligations under the Listing Manual. Unitholders and investors are advised to refrain from taking any action in respect of EC World REIT units ("**Units**") which may be prejudicial to their interests, and to exercise caution when dealing in the Units. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

For and on behalf of the Board

**EC WORLD ASSET MANAGEMENT PTE. LTD.**

(as manager of EC World Real Estate Investment Trust)

(Company Registration No. 201523015N)

**Goh Toh Sim**

Executive Director and Chief Executive Officer

26 October 2024

## **Important Notice**

The value of the Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, the Manager, the Trustee or any of their affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

Unitholders and potential investors are advised to exercise caution when dealing in Units. Unitholders and potential investors are advised to read this announcement and any further announcements to be released by EC World REIT carefully. Unitholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units.

The past performance of EC World REIT is not necessarily indicative of the future performance of EC World REIT.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.